

BANK INDONESIA REGULATION (PBI)  
NUMBER 19/7/PBI/2017  
CONCERNING  
CARRYING FOREIGN BANKNOTES INTO AND OUT OF  
THE CUSTOMS TERRITORY OF THE REPUBLIC OF  
INDONESIA

BY THE BLESSING OF THE ALMIGHTY GOD

GOVERNOR OF BANK INDONESIA,

- Considering :
- a. that in line with the objective of Bank Indonesia to achieve and maintain Rupiah stability, Bank Indonesia has the authority for monetary control, which is conducted among others through arrangement of the flow of foreign bank notes that carried into and out of the customs territory of the Republic of Indonesia;
  - b. that for monetary control, Bank Indonesia also needs data and information on foreign banknotes entering in to and going out of the customs territory of the Republic of Indonesia;
  - c. that regulation on permit to carry foreign banknotes in to and out of the customs territory of the Republic of Indonesia is in line with the efforts to support the policy of Bank Indonesia to realize national cashless movement and application of mandatory use of rupiah in transactions within the Republic of Indonesia;

- d. that based on the foregoing considerations in letter a, b, and c, it is necessary to establish Regulation of Bank Indonesia on Carrying Foreign Banknotes into and out of the customs territory of the Republic of Indonesia;

Observing : 1. Law Number 10 of 1995 on Customs (State Gazette of the Republic of Indonesia of 1995 Number 75, Supplement to State Gazette of the Republic of Indonesia Number 3612) as amended by Law Number 17 of 2006 on Amendment to Law Number 10 of 1995 on Customs (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4661);

2. Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to State Gazette of the Republic of Indonesia Number 3843) as last amended by Law Number 6 of 2009 on Establishment of Government Regulation in Lieu of Law Number 2 of 2008 on the Second Amendment to Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 2009 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 4962);

3. Law Number 24 of 1999 on Foreign Exchange Flows and Exchange Rate System (State Gazette of the Republic of Indonesia of 1999 Number 67, Supplement to State Gazette of the Republic of Indonesia Number 3844);

4. Law Number 7 of 2011 on Currencies (State Gazette of the Republic of Indonesia of 2011 Number 64, Supplement to State Gazette of the Republic of Indonesia Number 5223);

HAS DECIDED:

To establish : REGULATION OF BANK INDONESIA ON CARRYING  
FOREIGN BANKNOTES IN TO AND OUT OF THE CUSTOMS  
TERRITORY OF THE REPUBLIC OF INDONESIA.

## CHAPTER I

### GENERAL PROVISIONS

#### Article 1

In this Regulation of Bank Indonesia:

1. Foreign Banknotes means any banknotes in a foreign currency officially issued by a country external to Indonesia and recognized as a legal tender in the said country.
2. Carrying foreign banknotes means bringing and/or taking foreign banknotes into and/or out of any Customs Areas by oneself or by using the service of another party for their or any other parties' interests by cargo and/or passengers toms Area.
3. Permit to Carry Foreign Banknotes means a permit granted by Bank Indonesia to carry foreign banknotes.
4. Permitted Business Establishment means a party, which has obtained the Permit from Bank Indonesia to carry foreign banknotes.
5. Approval to Carry Foreign Banknotes means an approval granted by Bank Indonesia to a Permitted Business Establishment to carry foreign banknotes.
6. Customs Area means an area of the Republic of Indonesia including the land, water, and airspace above the area, as well as certain places in the exclusive economic zone and continental shelf, within which the Customs Law applies.
7. Bank means commercial banks and Bank Perkreditan Rakyat as specified in the Law on banks and sharia banks and sharia financing banks as specified in the Law on sharia banks.

8. Non-Bank Foreign Exchange Business, hereinafter referred to as Money Changer, means a non-bank business of foreign exchange as specified in the regulation of Bank Indonesia on non-bank business activities of foreign exchange.
9. Rupiah Management Service Provider, hereinafter abbreviated to RMSP, means a provider of rupiah management service as specified in the regulation of Bank Indonesia on rupiah management service provider.
10. Registered RMSP means RMSP, which has registered with Bank Indonesia to carry on the activity of carrying foreign banknotes.

## CHAPTER II

### PARTIES ELIGIBLE FOR CARRYING FOREIGN BANKNOTES

#### Article 2

- (1) Any party, who carries foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah), must obtain the Permit from Bank Indonesia to Carry Foreign Banknotes.
- (2) The party eligible for carrying foreign banknotes set forth in paragraph (1) shall be a Permitted Business Establishment.
- (3) Parties eligible for carrying foreign banknotes set forth in paragraph (2) consist of:
  - a. Banks; and
  - b. Money Changers.
- (4) The Permitted Business Establishment set forth in paragraph (3) may carry foreign banknotes for their or other parties foreign c.

CHAPTER III  
PERMIT AND APPROVAL FOR CARRYING FOREIGN  
BANKNOTES

Part One

Permit to Carry Foreign Banknotes

Article 3

- (1) Banks and Money Changers set forth in Article 2 paragraph (3) must submit a request to Bank Indonesia to obtain the Permit to Carry Foreign Banknotes.
- (2) The Bank set forth in paragraph (1) must meet the following requirements:
  - a. has the business license as a Bank from the competent authority; and
  - b. has the license as a foreign exchange bank or obtain the approval to carry on foreign exchange activity from the competent authority.
- (3) The Money Changer set forth in paragraph (1) must meet the following requirements:
  - a. has the license as a Money Changer from Bank Indonesia;
  - b. has paid-up capital at the minimum amount of Rp2,000,000,000.00 (two billion rupiah); and
  - c. meet the operational requirements specified by Bank Indonesia.

Article 4

- (1) Permit to Carry Foreign Banknotes granted by Bank Indonesia to a Permitted Business Establishment is valid for 5 (five) years at the maximum as of the permit date.
- (2) The Permit to Carry Foreign Banknotes set forth in paragraph (1) may be extended by submitting to Bank Indonesia a request to extend Permit to Carry Foreign Banknotes from a Permitted Business Establishment.

- (3) The request to extend Permit to Carry Foreign Banknotes set forth in paragraph (2) must be submitted no later than 3 (three) months prior to the permit carry on for.

#### Article 5

- (1) To process the Permit to Carry Foreign Banknotes set forth in Article 3 paragraph (1), Bank Indonesia will review the fulfillment of requirements set forth in Article 3 paragraph (2) and (3).
- (2) To review the fulfillment of requirements set forth in paragraph (1), Bank Indonesia may conduct a direct examination.
- (3) In addition to the provisions set forth in paragraph (1) and (2), Bank Indonesia can coordinate with the relevant authority.

#### Article 6

Further provisions for the requirements, request submission procedure, processing, and extension of Permit to Carry Foreign Banknotes are specified in the Regulation of Members of Board of Governors.

#### Part Two

#### Approval to Carry Foreign Banknotes

#### Article 7

- (1) Every time the Permitted Business Establishment set forth in Article 2 paragraph (2) intends to carry foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah), must obtain from Bank Indonesia a prior Approval to Carry Foreign Banknotes.
- (2) To obtain the Approval to Carry Foreign Banknotes set forth in paragraph (1), a Permitted Business Establishment must submit to Bank Indonesia a request for such approval.

- (3) The request for Approval to Carry Foreign Banknotes set forth in paragraph (2) must be equipped with the forecast of foreign banknotes requirement for each currency and the detailed plan to carry foreign banknotes for a period of 3 (three) months.
- (4) Bank Indonesia may request supporting documents pertaining to the request for Approval to Carry Foreign Banknotes set forth in paragraph (3).
- (5) The request for Approval to Carry Foreign Banknotes set forth in paragraph (2) is submitted to Bank Indonesia no later than 1 (one) month prior to the period of Carrying Foreign Banknotes.

#### Article 8

- (1) Bank Indonesia may deny the request for Approval to Carry Foreign Banknotes from a Permitted Business Establishment as set forth in Article 7 paragraph (1) based on the following considerations:
  - a. purpose of Carrying Foreign Banknotes;
  - b. historical aspect of Carrying Foreign Banknotes;
  - c. macroeconomic condition; and/or
  - d. other considerations.
- (2) Approval to Carry Foreign Banknotes granted by Bank Indonesia takes the form of quota per currency for a period of 3 (three) months.
- (3) A Permitted Business Establishment may not carry foreign banknotes in excess of the quota approved by Bank Indonesia as set forth in paragraph (2).
- (4) If quota increase is required within the period set forth in paragraph (2), a Permitted Business Establishment may request 1 (one) time quota increase within the period of Approval to Carry Foreign Banknotes granted by Bank Indonesia.

- (5) The request for quota increase set forth in paragraph (4) shall be submitted by a Permitted Business Establishment no later than 7 (seven) working days prior to Carrying Foreign Banknotes.

#### Article 9

Further provisions for submission procedure, processing procedure, quota increase procedure, and period of Approval to Carry Foreign Banknotes are specified in the Regulation of Members of Board of Governors.

### CHAPTER IV

#### CARRYING FOREIGN BANKNOTES BY PERMITTED BUSINESS ESTABLISHMENTS

#### Article 10

A Permitted Business Establishment may carry foreign banknotes by themselves or by using the service of RMSP.

#### Article 11

- (1) Any Permitted Business Establishment, which carries foreign banknotes by using the service of RMSP set forth in Article 10, must use the list of Registered RMSP.
- (2) Carrying Foreign Banknotes by Registered RPSP set forth in paragraph (1) must be conducted at the request of a Permitted Business Establishment.
- (3) Provisions for RPSP shall be subject to the provisions of Bank Indonesia on implementation of rupiah management service providers.

#### Article 12

Further provisions for requirements and procedure for carrying foreign banknotes by Permitted Business Establishments are specified in the Regulation of Members of Board of Governors.



CHAPTER V  
DATA CHANGE SUBMISSION BY PERMITTED BUSINESS  
ESTABLISHMENTS

Article 13

- (1) Permitted Business Establishments must submit to Bank Indonesia a written notice in the event of change of data and/or information submitted to Bank Indonesia when requesting the Permit to Carry Foreign Banknotes.
- (2) The change of data and/or information set forth in paragraph (1) may consist of:
  - a. change of status;
  - b. change in capital;
  - c. change of name; and/or
  - d. change of address.
- (3) The change of data and/or information set forth in paragraph (1) by Banks must be submitted after the change is approved by the competent authority.
- (4) The change of data and/or information set forth in paragraph (1) by Money Changers must be submitted in accordance with the regulation of Bank Indonesia on non-bank business activities of foreign exchange.
- (5) Further provisions for procedure for change of data and/or information for Banks are specified in the Regulation of Members of Board of Governors.

Article 14

- (1) To ensure the validity of the change of data and/or information set forth in Article 13, Bank Indonesia may request reports, information, and/or data to the relevant Permitted Business Establishment and/or authority.
- (2) In addition to requesting the reports, information, and/or data set forth in paragraph (1), Bank Indonesia may conduct direct examination against the Permitted Business Establishment.

- (3) Bank Indonesia may assign another party to conduct direct examination set forth in paragraph (2).

## CHAPTER VI

### EVALUATION OF PERMIT TO CARRY FOREIGN BANKNOTES

#### Article 15

- (1) Bank Indonesia will evaluate permits to carry foreign banknotes by considering:
  - a. compliance level of a Permitted Business Establishment with the applicable regulations;
  - b. level of utility and development of carrying foreign banknotes activity;
  - c. recommendation, information, and/or request from a supervisory body or any other authority; and/or
  - d. other considerations.
- (2) Bank Indonesia may revoke a Permit to Carry Foreign Banknotes granted to a Permitted Business Establishment based on:
  - a. the evaluation result set forth in paragraph (1);
  - b. the request of another competent authority;
  - c. the request submitted by a Permitted Business Establishment; and/or
  - d. breach of the provisions specified in this Regulation of Bank Indonesia.

## CHAPTER VII

### RELATIONSHIP BETWEEN INSTITUTIONS

#### Article 16

Implementation of provisions for Carrying Foreign Banknotes shall use a supporting infrastructure in the form of a system developed by Bank Indonesia and/or Portal Manager of Indonesian National Single Window.

Article 17

Bank Indonesia will cooperate with the Director General of Customs and Excise and other authority for:

- a. exchange of data and information;
- b. enforcement of provisions for carrying foreign banknotes in accordance with the provisions for customs; and/or
- c. other cooperation.

CHAPTER VIII  
CONVERSION RATE

Article 18

- (1) The exchange rate applied in the provisions for carrying foreign banknotes shall refer to the exchange rate determined by the Minister of Finance.
- (2) If the carried foreign banknotes are not listed in the exchange rate determined by the Minister of Finance as set forth in paragraph (1), the exchange rate to be applied is the buying rate by banks or the indicative rate made as the market reference.

CHAPTER IX  
SANCTIONS

Article 19

Any party, which carries foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah), without obtaining the Permit to Carry Foreign Banknotes from Bank Indonesia as set forth in Article 2 paragraph (1), shall be deterred from the entire Carrying of Foreign Banknotes in accordance with the regulations on customs.

#### Article 20

Any Permitted Business Establishment, which carries foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah), without the approval of Bank Indonesia as set forth in Article 7 paragraph (1) or in excessive of the quota approved by Bank Indonesia as set forth in Article 8 paragraph (3), shall be deterred from the entire Carrying of Foreign Banknotes in accordance with the regulations on customs.

#### Article 21

The sanctions imposed on Permitted Business Establishments set forth in Article 20 will not omit administrative sanctions imposed by Bank Indonesia.

#### Article 22

Any Permitted Business Establishments, which breach the provisions set forth in Article 7 paragraph (1), Article 8 paragraph (3), Article 11 paragraph (1), and Article 13 paragraph (1) shall be imposed with the following administrative sanctions by Bank Indonesia:

- a. written warning;
- b. temporary termination of carrying foreign banknotes activities; and/or
- c. revocation of Permit to Carry Foreign Banknotes.

#### Article 23

In addition to the sanctions set forth in Article 20 and 22, Bank Indonesia may recommend the competent authority to impose sanctions in accordance with their authority.

#### Article 24

Further provisions for sanction imposition procedure are specified in the Regulation of Members of Board of Governors.

CHAPTER X  
OTHER PROVISIONS

Article 25

- (1) Provisions in this Regulation of Bank Indonesia shall not apply for carrying foreign banknotes for performance of Bank Indonesia's Indo.
- (2) Banks and Money Changers, which have been carrying foreign banknotes prior to the enforcement of this Regulation, must submit to Bank Indonesia an application for Permit to Carry Foreign Banknotes by referring to this Regulation.

CHAPTER XI  
CLOSING PROVISIONS

Article 26

The provisions set forth in Article 19, Article 20, Article 22, and Article 23 shall start to take effect from 7 May 2018.

Article 27

This Regulation of Bank Indonesia shall start to take effect from 5 March 2018.

For public recognition, it is hereby ordered that this Regulation of Bank Indonesia be promulgated in the State Gazette of the Republic of Indonesia.

Issued in Jakarta  
on 3 May 2017  
GOVERNOR OF BANK INDONESIA,

AGUS D.W. MARTOWARDOJO

Promulgated in  
Jakarta on 5 May 2017

MINISTER OF LAW AND HUMAN RIGHTS  
REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2017 NUMBER 94

ELUCIDATION OF  
REGULATION OF BANK INDONESIA NUMBER 19/7/PBI/2017 ON  
CARRYING FOREIGN BANKNOTES  
INTO AND OUT OF THE CUSTOMS TERRITORY OF THE REPUBLIC OF  
INDONESIA

I. GENERAL

To achieve and maintain Rupiah stability as mandated by Law Number 23 of 1999 on Bank Indonesia as last amended by Law Number 6 of 2009, Bank Indonesia has the authority to conduct monetary control.

The increasing trend of foreign banknotes transactions within the country and highly frequent activities of carrying foreign banknotes may potentially adversely affect Rupiah stability if the carrying flow is not properly managed and monitored by the monetary authority.

By observing the matter mentioned above, for monetary control, Bank Indonesia needs data and information on the flow of carrying foreign banknotes above a certain nominal amount by parties, which have been carrying foreign banknotes, namely Banks and Money Changers.

To support effectiveness of the monetary control, the mechanism of carrying foreign banknotes above a certain nominal amount must be operated so that Bank Indonesia will be able to properly monitor the amount of supply and need for foreign banknotes within the country and at the same time to mitigate carrying foreign banknotes without reasonable transaction purpose.

The mechanism specified in this Regulation of Bank Indonesia is carrying foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah) may only be conducted by Permitted Business Establishments, namely Banks and Money Changers licensed by Bank Indonesia to carry foreign banknotes.

Bank Indonesia limits the business establishments carrying foreign banknotes among others because the two financial institutions, namely Banks and Money Changers, are the main foreign banknotes suppliers in the domestic market and have adequate competency and system, which are expected to be able to mitigate risks pertaining to the circulation of foreign banknotes in the community. Meanwhile, the threshold amount of at least equal to Rp1,000,000,000.00 (one billion rupiah) is determined by, among others, considering the aspect of appropriateness to carry cash by individuals, to mitigate risks of adversely affecting the sectors of tourism, trade, and service in the domestic market, readiness of domestic financial institutions in facilitating cashless financial services, and to support effective provisions for mandatory use of Rupiah in goods and services transactions in the Republic of Indonesia.

In addition, this arrangement does not aim to control foreign exchange, so that individuals of Indonesian or foreign citizenships who need foreign banknotes above the threshold amount of carrying may remain meeting cashless foreign currency needs.

## II. ARTICLE BY ARTICLE

### Article 1

Self-explanatory

### Article 2

#### Paragraph (1)

Foreign banknotes include banknotes made of plastic.

Foreign banknotes, which are printed by Indonesian money printing company, are not considered as foreign banknotes because the printed banknotes have not been recognized as the legal tender of the relevant country. Therefore, the company authorized to print money at the request of another country may bring their printed foreign banknotes under the applicable provisions.

#### Paragraph (2)

Self-explanatory

#### Paragraph (3)

Self-explanatory



Paragraph (4)

Self-explanatory

### Article 3

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Letter a

Self-explanatory

Letter b

“Paid-up capital” means the capital paid-up for establishment of a Money Changer as specified in the Money Changer’s Articles of Association.

Letter c

“Operational requirements” among others are to have:

- a. sufficient human resources;
- b. information system and risk management system; and
- c. supporting facilities and infrastructures for operation of foreign currency trade activities.

### Article 4

Paragraph (1)

The maximum validity period of Permit to Carry Foreign Banknotes for Money Changers is the same as the validity period of the license as Money Changer granted by Bank Indonesia.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

### Article 5

Self-explanatory

### Article 6

Self-explanatory

Article 7

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

The period of carrying foreign banknotes is 3 (three) months, namely from January until March, April until June, July until September, and October until December.

Article 8

Paragraph (1)

Denial of approval for carrying foreign banknotes by Bank Indonesia among others considers the purpose of such carrying, for example, Permitted Business Establishments carry foreign banknotes for the interest of non-licensed Money Changers and/or non-licensed fund transfer operators.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Article 9

Self-explanatory

Article 10

Self-explanatory

Article 11

Paragraph (1)

Self-explanatory

Paragraph (2)

Any request from a Permitted Business Establishment to Registered RPSP for carrying foreign banknotes is made by submitting a request letter from the Permitted Business Establishment.

A Registered RPSP, which carry foreign banknotes in an amount at least equal to Rp1,000,000,000.00 (one billion rupiah) without any request from a Permitted Business Establishment, will be deemed as a party which has not obtained the Permit to Carry Foreign Banknotes.

Paragraph (3)

Self-explanatory

Article 12

Self-explanatory

Article 13

Paragraph (1)

Change of data and/or information is among others attributable to merger, consolidation, demerger, self-liquidation, and/or business activity termination by a Permitted Business Establishment.

Paragraph (2)

Example of status change means change from foreign exchange bank to non-foreign exchange bank.

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Article 14

Self-explanatory

Article 15

Self-explanatory

Article 16

“Indonesia National Single Window” means a national system in Indonesia, which allows a single submission of data and information, single and synchronous processing of data and information, and single decision making for custom release and clearance of cargoes.

Article 17

“Another authority” among others consists of Indonesian Financial Transaction Report and Analysis Center (PPATK) and banking regulatory and supervisory authority.

Exchange of data and information on carrying foreign banknotes contains among others submission and change of list of Permitted Business Establishments and Registered RPSP, report on carrying foreign banknotes, and carrying of cash.

Article 18

Paragraph (1)

Self-explanatory

Paragraph (2)

Exchange rate indicators generally used as the market reference among others are the buying rate of Bloomberg and Reuters.

Article 19

Self-explanatory

Article 20

Self-explanatory

Article 21

Self-explanatory

Article 22

Self-explanatory

Article 23

Self-explanatory

Article 24

Self-explanatory

Article 25

Self-explanatory

Article 26

Self-explanatory

Article 27

Self-explanatory

SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA  
NUMBER 6050